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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on
Regulations Relating to Passenger Carriers,
Ridesharing, and New Online-Enabled
Transportation Services.

Rulemaking 12-12-011
(Filed December 20, 2012)

**ASSIGNED COMMISSIONER'S RULING EXPANDING SCOPE OF
PROCEEDING TO INCLUDE AN ORDER TO SHOW CAUSE AGAINST
RASIER-CA, LLC AND LYFT, INC.**

Summary

This Ruling expands the scope of the above-captioned proceeding in order to include an Order to Show Cause (OSC) against Rasier-CA, LLC (UberX) and Lyft, Inc. (Lyft).

1. Background

On December 20, 2012, the Commission opened Rulemaking (R.) 12-12-011 to address new-online enabled forms of transportation. A Scoping Ruling was issued on April 2, 2013, which set the scope of the proceeding.

On September 19, 2013, the Commission, in Decision (D.) 13-09-045, created a new category of charter party carrier of passengers called Transportation Network Companies (TNCs). The Decision set forth the various requirements that TNCs must comply with in order to operate in California. Among other regulatory requirements, the Decision required TNCs to submit

annual reports containing certain specified information.¹ This Decision also found that both UberX and Lyft were TNCs and thus required to comply with the provisions set forth in D.13-09-045, including the reporting requirements.

2. Discussion

On September 19, 2014, UberX and Lyft both submitted annual report information. The Safety and Enforcement Division SED analyzed the information submitted by both UberX and Lyft and alleges that both companies failed to comply with some of the reporting requirements set forth in D.13-09-045.

As such, this Ruling amends the scope of this proceeding to include an OSC against both UberX and Lyft. As part of the OSC, UberX and Lyft will be given an opportunity to be heard and to explain why they should not be found in contempt, why fines and penalties should not be imposed, and why their licenses to operate should not be revoked or suspended for allegedly violating some of the reporting requirements set forth in D.13-09-045.

3. Ex Parte Prohibition

As provided in Rule 1.3(a) and 8.2(b) of the Commission's Rules of Practice and Procedure, the OSC portion of this proceeding is categorized as adjudicatory and *ex parte* communications are prohibited. The determination as to category is appealable pursuant to Rule 7.6 of the Commission's Rules of Practice and Procedure.

IT IS RULED that:

1. The scope of Rulemaking 12-12-011 is amended to include an Order to Show Cause (OSC) against Rasier-CA, LLC (UberX) and Lyft, Inc. (Lyft) in order

¹ D.13-09-045 at 27, 30-33.

to address the Safety and Enforcement Division's claim that UberX and Lyft violated Decision (D.) 13-09-045. As part of the Order to Show Cause, UberX and Lyft will be given an opportunity to be heard and to explain why they should not be found in contempt, why fines and penalties should not be imposed, and why their licenses to operate should not be revoked or suspended for allegedly violating some of the reporting requirements in D.13-09-045.

2. Robert M. Mason III, the assigned Administrative Law Judge in this proceeding, is assigned as the presiding officer over the hearings that will be held in the Order to Show Cause.

Dated November 7, 2014, at San Francisco, California.

/s/ MICHAEL R. PEEVEY

Michael R. Peevey
Assigned Commissioner